
State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

Filing at a Glance

Company:	Group Hospitalization and Medical Services, Inc.
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701
State:	District of Columbia
TOI:	H10I Individual Health - Dental
Sub-TOI:	H10I.000 Health Dental
Filing Type:	Rate
Date Submitted:	04/29/2016
SERFF Tr Num:	CFAP-130531801
SERFF Status:	Assigned
State Tr Num:	
State Status:	
Co Tr Num:	2117
Implementation	01/01/2017
Date Requested:	
Author(s):	Dwayne Lucado, Anna Guloy, Todd Switzer, Cory Bream, Patrick Getts, Britney Tyler, Scott Cremens
Reviewer(s):	John Morgan (primary), Damon Siler, Efren Tanhehco
Disposition Date:	
Disposition Status:	
Implementation Date:	
State Filing Description:	

State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

General Information

Project Name:	Status of Filing in Domicile: Not Filed
Project Number: 2117	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact: 25.6%	Filing Status Changed: 05/05/2016
	State Status Changed:
Deemer Date:	Created By: Anna Guloy
Submitted By: Anna Guloy	Corresponding Filing Tracking Number: 2117

Filing Description:

This filing is being submitted for the purpose of filing the dental plans to be offered by Group Hospitalization & Medical Services, Inc. to Individual (Over and Under 65) Market On and Off D.C. Exchange effective 1/1/2017.

Please refer to the actuarial memorandum (Supporting Documentation) and rate filing (Rate/Rule Schedule) for more details.

Company and Contact

Filing Contact Information

Anna Guloy, Actuarial Associate	anna.guloy@carefirst.com
10455 Mill Run Circle	410-998-5098 [Phone]
Owings Mills, MD 21117	410-998-7704 [FAX]

Filing Company Information

Group Hospitalization and Medical Services, Inc.	CoCode: 53007	State of Domicile: District of Columbia
840 First Street NE	Group Code:	Company Type: Hospital,
Washington, DC 20065	Group Name:	Medical & Dental Service or
(410) 581-3000 ext. [Phone]	FEIN Number: 53-0078070	Indemnity
		State ID Number:

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

Rate Information

Rate data applies to filing.

Filing Method:	Electronic (SERFF)
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	24.400%
Effective Date of Last Rate Revision:	01/01/2017
Filing Method of Last Filing:	SERFF

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Group Hospitalization and Medical Services, Inc.	25.600%	25.600%	\$197,497	2,222	\$967,924	29.500%	0.000%

State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
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Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		File 2117_DC GHMSI Indiv Dental 1.1.17_Rates	DC/CF/EXC/2017 DENTAL AMEND (1/17) ; DC/CF/DB/2017 DENTAL AMEND (1/17)	Revised	Previous State Filing Number: CFAP-130-032-739 Percent Rate Change Request: 25.6	File 2117_DC GHMSI Indiv Dental 1.1.17_5.4.16_Rates.pdf,

GHMSI, Inc.
DC Individual (Over and Under 65) Market
Standalone BlueDental Filing
ON & OFF EXCHANGE

Premiums Effective 1/1/2017

Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
NAIC # 53007
DC Individual (Over and Under 65) Market Standalone Dental - On and Off Exchange
Rates Effective 1/1/2017

Form Numbers Impacted By This Filing

ON EXCHANGE FORM NUMBERS:

DC/CF/EXC/2017 DENTAL AMEND (1/17)

OFF EXCHANGE FORM NUMBERS:

DC/CF/DB/2017 DENTAL AMEND (1/17)

GHMSI, Inc.
Individual (Over and Under 65) Market Standalone Dental Filing Effective 1/1/2017
Proposed Pediatric and Non-Pediatric Base Rates

HIOS ID

ON EXCHANGE 78079DC0320001

OFF EXCHANGE 78079DC0320003

BlueDental Preferred Benefit Design HIGH OPTION - ON & OFF EXCHANGE

	In Network	Out of Network
Deductible (Applies to Classes 2 - 4)	\$60	\$120
Plan Coinsurance		
Class 1	100%	80%
Class 2	80%	60%
Class 3	80%	60%
Class 4	50%	35%
Class 5 (only applies to Pediatric Dental)	50%	35%
<u>Pediatric</u>		
Annual Benefit Maximum	Unlimited	
Member Out of Pocket Maximum	\$350 for In Network and \$700 for 2 or more children	
<u>Adult</u>		
Annual Benefit Maximum	\$1000 per member combined for In and Out of Network	
Member Out of Pocket Maximum	Unlimited	

Gross Monthly Base Rate	\$42.14
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CareFirst BlueCross BlueShield (GHMSI)
Individual (Over and Under 65) Market Standalone Dental Filing Effective 1/1/2017
Proposed Pediatric and Non-Pediatric Base Rates

HIOS ID

ON EXCHANGE 78079DC0320002

OFF EXCHANGE 78079DC0320004

BlueDental Preferred Benefit Design LOW OPTION - ON & OFF EXCHANGE

	In Network	Out of Network
Deductible (Applies to Classes 1 - 4)	\$100	\$200
Plan Coinsurance		
Class 1	100%	80%
Class 2	80%	60%
Class 3	80%	60%
Class 4	50%	35%
Class 5 (only applies to Pediatric Dental)	50%	35%
<u>Pediatric</u>		
Annual Benefit Maximum	Unlimited	
Member Out of Pocket Maximum	\$350 for In Network	
<u>Non-Pediatric</u>		
Annual Benefit Maximum	\$1000 combined for In and Out of Network	
Member Out of Pocket Maximum	Unlimited	

Gross Monthly Base Rate	\$28.97
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State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	
Attachment(s):	File 2117_DC GHMSI Indiv Dental_Cover Letter 1.1.17.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	This filing is being submitted directly by the insurer.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	File 2117_DC GHMSI Indiv Dental 1.1.17_5.4.16_Actuarial Memorandum.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	This information can be found in the Actuarial Memorandum.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	This is not a P&C filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	This is not a P&C filing.
Attachment(s):	
Item Status:	
Status Date:	

State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	Part III Actuarial Memorandum and Certification does not apply to Standalone Dental.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	URRT does not apply to Standalone Dental.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Checklist
Comments:	
Attachment(s):	File 2117_DC GHMSI Indiv Dental_Checklist 1.1.17.pdf
Item Status:	
Status Date:	



May 5, 2016

Mr. Efren Tanhehco
Supervisory Health Actuary
Department of Insurance, Securities and Banking

Re: GHMSI, Inc. Individual Dental Rate Filing Cover Letter

In accordance with DISB requirements this letter has been submitted as cover for our 2017 ACA standalone dental plans rate filing submitted 5/2/2016. Please note the required information below:

- a. **Company Name:** Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
- b. **NAIC Company Code:** 53007
- c. **Unique Company Filing Number:** 2117
- d. **Date Submitted:** 5/2/2016
- e. **Proposed Effective Date:** 1/1/2017
- f. **Type of Product:** Standalone Dental (QDP) – On and Off Exchange
- g. **Individual or Group:** Individual (Over and Under 65)
- h. **Scope and Purpose of Filing:** This filing has been submitted to propose the rate actions listed below in section k for all ACA standalone dental plans (QDP's) offered by GHMSI, Inc.
- i. **Indication Whether Initial Filing or Change:** This filing proposes a change to existing rates (from our previous filing **SERFF # CFAP-130-032-739**).
- j. **Indication if no DC Policyholders:** This filing proposes rate actions to our plans sold in DC. DC policyholders of GHMSI ACA dental plans will be impacted.
- k. **Overall Premium Impact of Filing on DC Policyholders:** Average proposed rate increase effective 1/1/2017 is 25.6%.
- l. **Contact Information:**
 - a. Name: Dwayne Lucado, F.S.A., M.A.A.A.
 - b. Telephone Number: 410-998-7519
 - c. Email: Dwayne.Lucado@Carefirst.com
 - d. [410-505-2192](tel:410-505-2192)

For further detail and support for the rate actions proposed above please reference the Actuarial Memorandum submitted on 5/2/2016.

Sincerely,

Dwayne Lucado

Digitally signed by Dwayne
Lucado
Date: 2016.05.05 16:12:27 -04'00'

Dwayne Lucado, F.S.A., M.A.A.A.
Director, Actuarial Pricing

GHMSI, Inc.
NAIC # 53007

Rate Filing # 2117
DC Individual (Over and Under 65) Market
Standalone BlueDental Filing
ON & OFF EXCHANGE
Rates Effective 1/1/2017

CareFirst BlueCross BlueShield (GHMSI)
DC Individual (Over and Under 65) Market
Standalone BlueDental Filing
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Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
NAIC # 53007
DC Individual Market Standalone Dental - On and Off Exchange
Rate Filing # 2117
Rates Effective 1/1/2017
Actuarial Memorandum

Purpose and Scope of Filing

This submission pertains to the District of Columbia Individual (Over and Under 65) market dental portfolio of GHMSI, Inc. Included in this filing are our proposed gross PMPM changes effective January 1, 2017 for the existing BlueDental High and Low Options.

	Members	GROSS PMPM	PROPOSED GROSS PMPM	
DENTAL BENEFIT	as of 2/29/16	1/1/2016	1/1/2017	% Rate Change
BLUEDENTAL PREFERRED HIGH OPTION	2,148	\$32.54	\$42.14	29.5%
BLUEDENTAL PREFERRED LOW OPTION	487	\$28.97	\$28.97	0.0%
TOTAL	2,635			25.6%

GHMSI is offering two preferred comprehensive standalone dental options in the Individual market both On and Off Exchange. These benefits will be embedded with pediatric dental coverage as required by the Pediatric Dental Essential Health Benefit. By the term "comprehensive" we mean "coverage is available to all ages." By the term "standalone" we mean that having CareFirst (CF) medical coverage is not required.

The proposed rate actions apply to both renewing and new business.

General Information

Company Legal Name: Group Hospitalization and Medical Services, Inc. (GHMSI)

Jurisdiction: District of Columbia

HIOS Issuer ID: 78079

Market: Individual Dental On and Off Exchange

Effective Date: 1/1/2017

Company Contact Information:

Primary Contact Name: Anna Guloy

Primary Contact Telephone: 410-998-5098

Primary Contact Email Address: anna.guloy@carefirst.com

Assumptions

The key assumptions in this filing are listed below.

Actuarial Value - Dental Actuarial Values (AVs) are based on internal CareFirst modeling. For the pediatric dental benefit, we are proposing benefit designs in the "High" and "Low" Actuarial Value ranges. The modeled AV for the High Option design is within the allowable range of 83% - 87% while the Low Option design is within the allowable range of 73% - 77%, as shown on pages 8 and 10. Calculation of the non-pediatric Preferred AV is provided in pages 9 and 11.

Trend - A 3% claims trend is assumed.

Desired Incurred Claims Ratio and Retention - The components of retention and the desired incurred claims ratio support are provided on page 16.

Use of Past Experience to Project Future Results

Since we now have a credible block of business in the ACA Individual dental market, we are using this experience as the basis of this proposal. The base experience used is deemed to be fully credible.

Please reference the pricing page (page 12) for the development of the needed rate actions.

The proposed rate changes are driven primarily because actual experience has been unfavorable as membership has grown. Our proposal to increase rates to adequate levels in order to moderate future needed increases.

The projected loss ratio is 66.63%.

The average annual premium is \$486.29.

Recognition of Plan Provisions

We are proposing to change the pediatric deductible from \$65 to \$100 for the BlueDental Low Option to maintain the Low Option AV. As a consequence, we are also proposing the same deductible changes to the Adult benefits.

Effective 1/1/2017, we will only consider the 3 oldest dependents in our rating methodology in order to comply with the revised DC Carrier Manual. We will also impose this cap Off Exchange in order to maintain rate consistency with On Exchange business.

Please refer to Rating Methodology (page 21) for a sample calculation.

This policy is guaranteed renewable in the Individual Market and is available to all exchange qualified individuals.

Projection of Future Capital and Surplus

The Pre-Tax Contribution to Reserves has been set to 0.0%.

Reasonableness of Assumptions

The assumptions used in this filing have been found to be reasonable both individually and in the aggregate.

Form Numbers Impacted By This Filing

This list contains the applicable forms for the products. Some of these are also used with other products, which may be open or closed to new sales. These forms are used with products that are both grandfathered and non-grandfathered.

ON EXCHANGE FORM NUMBERS:

DC/CF/EXC/2017 DENTAL AMEND (1/17)

OFF EXCHANGE FORM NUMBERS:

DC/CF/DB/2017 DENTAL AMEND (1/17)

Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
NAIC # 53007
DC Individual Market Standalone Dental - On and Off Exchange
Rates Effective 1/1/2017
Actuarial Certification


I, Dwayne Lucado, am a Director of Actuarial Pricing with Group Hospitalization and Medical Services, Inc. (GHMSI) doing business as CareFirst BlueCross BlueShield. I am a member of the American Academy of Actuaries. I have been involved in the development of these rates. Further, to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance for the individual market (on and off exchange) in DC for business effective post 1/1/2017. Since HHS does not provide a Dental Actuarial Value Calculator, the actuarial values (AV) of the dental plans being proposed have been calculated using an internal company dental model.

The methodologies and assumptions in this filing represent our best understanding, based on the available guidance and regulations, of the requirements and provisions of the Affordable Care Act as they relate to the StandAlone Dental product being proposed. To the extent that further guidance necessitates material changes to the assumptions or methods in this filing, revisions will be made.

This certification further applies to the determination of the Actuarial Value of the proposed pediatric benefits. In the absence of an official industry wide model, this has been modeled based on internal company data in a manner consistent with that used in the Federal AV Calculator for Medical plans.

This filing has been prepared in accordance with commonly accepted actuarial principles, that are consistent with applicable Actuarial Standards of Practice, including ASOP 8.

**Dwayne
Lucado**

 Digitally signed by Dwayne
Lucado
Date: 2016.05.05 16:13:25
-04'00'

Dwayne Lucado, FSA, MAAA
Director, Actuarial Pricing
Group Hospitalization and Medical Services, Inc.
Mail Drop-Point 01-780
10455 Mill Run Circle
Owings Mills, Md. 21117

CareFirst BlueCross BlueShield
Individual Market StandAlone Dental
Pediatric and Non-Pediatric Benefit and Class Descriptions

Preventive & Diagnostic Services (Class I)	
<ul style="list-style-type: none"> • Oral exams (two per Benefit Period) • Routine cleaning (prophylaxis) (two per Benefit Period) • Topical application of fluoride (two per Benefit Period, until the end of the calendar year the member reaches the age 19) • Topical fluoride varnish (four per Benefit Period until the end of the calendar year the member reaches the age 19) • Bitewing X-ray (two per Benefit Period) • Intraoral occlusal X-ray (two per Benefit Period, until the end of the calendar year in which the member reaches the age 19) • Pulp vitality tests (two per Benefit Period) • Intraoral complete series X-ray (once per 36 months) 	<ul style="list-style-type: none"> • Panoramic X-Ray (once per 36 months) • Cephalometric X-ray (once per 36 months) • Sealants on permanent molars (once per tooth per 60 months, until the end of the calendar year the member reaches the age 19) • Space maintainers when medically necessary due to the premature loss of a posterior primary tooth (once per quadrant per 24 months, until the end of the calendar year the member reaches the age 19) • Palliative treatments • Emergency oral exam • Periapical and occlusal X-rays • Professional consultation rendered by a Dentist
Basic Services (Class II)	
<ul style="list-style-type: none"> • Direct placement fillings using approved materials (one filling per surface per 36 months) • Simple extractions performed without general anesthesia 	<ul style="list-style-type: none"> • Periodontal scaling and root planing (once per 24 months per quadrant)
Major Services – Surgical (Class III)	
<ul style="list-style-type: none"> • Surgical periodontic services including gingivectomy or gingivoplasty (one treatment per 24 months per quadrant or per tooth, and two quadrants per 12 months) and osseous surgery (one treatment per 24 months per quadrant), limited or complete occlusal adjustments in connection with periodontal treatment, and mucogingival surgery limited to grafts and plastic procedures (one treatment per site, limited to one site or quadrant every 36 months for members age 19 and over) • Endodontics (root tip removal, pulpotomy for deciduous teeth, root canal for permanent teeth (one per tooth per lifetime), root resection (one per tooth per lifetime for members age 19 and over) 	<ul style="list-style-type: none"> • Oral surgery (surgical extractions including impactions, treatment for cysts, tumors and abscesses, biopsies of oral tissue, general anesthesia and/or IV sedation, apicoectomy, hemi-section, tooth reimplantation, vestibuloplasty, limitations apply) • Once per lifetime per tooth: Coronectomy, tooth transplantation, surgical repositioning of teeth, alveoloplasty, frenulectomy, excision of pericoronal gingiva
Major Services – Restorative (Class IV)	
<ul style="list-style-type: none"> • Metal and/or porcelain/ceramic crowns, inlays, onlays and crown build-ups (once per 60 months) • Stainless steel crowns (until the end of the calendar year the member reaches the age 19, limits apply) • Bridges (one per 60 months, members age 19 and over) • Complete and/or partial removable dentures (once per 60 months) • Denture adjustments, repairs and relining (limits apply) 	<ul style="list-style-type: none"> • Recementation of crowns and/or inlays (once per 12 months) • Recementation of bridges (once per 12 months, members age 19 and over) • Occlusal guard (once per 24 months) • Fabrication of athletic mouthguard (once per 12 months until the end of the calendar year in which the member reaches the age 19) • Dental implants (one per 60 months, members age 19 and over)
Medically Necessary Orthodontic Services (Class V) for members age 19 and under	
<p>If prior authorization is received for medically necessary orthodontia:</p> <ul style="list-style-type: none"> • Retainers (one set), replacement allowed one per arch per lifetime within 24 months of date of debanding, rebonding or recementing fixed retainer 	<ul style="list-style-type: none"> • Pre-orthodontic treatment visit • Braces (once per lifetime) • Periodic treatment visits (not to exceed 24 months)

**CareFirst BlueCross BlueShield
Individual Market StandAlone Dental
ON AND OFF EXCHANGE
PEDIATRIC AND ADULT
BlueDental Preferred Benefit Matrix**

BLUEDENTAL PREFERRED - HIGH OPTION

Individual Deductible		Family Deductible		Deductible Applies	Annual Maximum for Class I, II, III & IV Members Over 19	Out-of-Pocket Maximum Members Under 19	Class I Coinsurance		Class II Coinsurance		Class III Coinsurance		Class IV Coinsurance		Class V Coinsurance Mebers Under 19, Medically Necessary Ortho	
In	Out	In	Out				In	Out	In	Out	In	Out	In	Out	In	Out
\$60	\$120	\$180	\$360	2, 3 & 4 (In & Out)	\$1,000	\$350 for 1 member, \$700 for 2+members	100%	80%	80%	60%	80%	60%	50%	35%	50%	35%

BLUEDENTAL PREFERRED - LOW OPTION

Individual Deductible		Family Deductible		Deductible Applies	Annual Maximum for Class I, II, III & IV Members Over 19	Out-of-Pocket Maximum Members Under 19	Class I Coinsurance		Class II Coinsurance		Class III Coinsurance		Class IV Coinsurance		Class V Coinsurance Mebers Under 19, Medically Necessary Ortho	
In	Out	In	Out				In	Out	In	Out	In	Out	In	Out	In	Out
\$100	\$200	\$300	\$600	1-4 (In & Out)	\$1,000	\$350 for 1 member, \$700 for 2+members	100%	80%	80%	60%	80%	60%	50%	35%	50%	35%

Calculation of Actuarial Value of Pediatric Dental Benefit - PREFERRED HIGH OPTION

Modeling below based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the combined ACA Individual dental book of business and projected to 2017.

Consistent with HHS AV Calculator this modeling is independent of network. Only in-network cost sharing is modeled.

Benefit Design

Deductible

In Network

\$60

Applies to Levels 2 - 4 Only

Coinsurance (In-Network)

Level 1

100%

Level 2

80%

Level 3

80%

Level 4

50%

Level 5

50%

Out of Pocket Maximum

\$350

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated AV
Level 1	\$ 10.07	\$ -	\$ -	\$ -	\$ -	\$ 10.07	
Level 2	\$ 4.68	\$ (1.60)	\$ (0.62)	\$ -	\$ 0.08	\$ 2.55	
Level 3	\$ 3.11	\$ (0.29)	\$ (0.56)	\$ 0.00	\$ 0.17	\$ 2.43	
Level 4	\$ 0.94	\$ (0.11)	\$ (0.41)	\$ (0.00)	\$ 0.05	\$ 0.47	
Level 5	\$ 5.50	\$ -	\$ (2.75)	\$ -	\$ 1.95	\$ 4.70	
Total	\$ 24.29	\$ (2.00)	\$ (4.34)	\$ 0.00	\$ 2.25	\$ 20.21	83.2%

Relativity Derivation of Adult BlueDental Preferred Benefit - HIGH OPTION

Modeling below based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the ACA Individual dental book of business and projected to 2017.

Benefit Design

	In Network	
Deductible	\$60	Applies to Levels 2 - 4 Only
Coinsurance (In-Network)		
Level 1	100%	
Level 2	80%	
Level 3	80%	
Level 4	50%	
Annual Benefit Maximum	\$1,000	

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 13.81	\$ -	\$ -	\$ (0.19)	\$ -	\$ 13.62	
Level 2	\$ 10.19	\$ (1.92)	\$ (1.65)	\$ (0.18)	\$ 0.00	\$ 6.44	
Level 3	\$ 7.73	\$ (0.59)	\$ (1.43)	\$ (0.30)	\$ -	\$ 5.42	
Level 4	\$ 13.53	\$ (0.69)	\$ (6.42)	\$ (0.66)	\$ -	\$ 5.76	
Level 5	\$ 0.01	\$ -	\$ (0.00)	\$ -	\$ -	\$ 0.00	
Total	\$ 45.27	\$ (3.19)	\$ (9.51)	\$ (1.33)	\$ 0.00	\$ 31.24	69.0%

Calculation of Actuarial Value of Pediatric Dental Benefit - PREFERRED LOW OPTION

Modeling below is based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the ACA Individual dental book of business and projected to 2017.

Consistent with HHS AV Calculator this modeling is independent of network. Only in-network cost sharing is modeled.

Benefit Design	In Network
Deductible	\$100 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Level 5	50%
Out of Pocket Maximum	\$350

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated AV
Level 1	\$ 10.07	\$ (4.19)	\$ -	\$ (0.00)	\$ -	\$ 5.89	
Level 2	\$ 4.68	\$ (1.05)	\$ (0.73)	\$ -	\$ 0.11	\$ 3.02	
Level 3	\$ 3.11	\$ (0.29)	\$ (0.56)	\$ -	\$ 0.22	\$ 2.47	
Level 4	\$ 0.94	\$ (0.10)	\$ (0.42)	\$ -	\$ 0.06	\$ 0.48	
Level 5	\$ 5.50	\$ -	\$ (2.75)	\$ -	\$ 2.01	\$ 4.76	
Total	\$ 24.29	\$ (5.63)	\$ (4.46)	\$ (0.00)	\$ 2.40	\$ 16.61	68.4%

PRIOR BENEFIT

Benefit Design	In Network
Deductible	\$65 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Out of Pocket Maximum	\$350

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 10.07	\$ (2.80)	\$ -	\$ -	\$ -	\$ 7.28	
Level 2	\$ 4.68	\$ (0.69)	\$ (0.80)	\$ -	\$ 0.10	\$ 3.29	
Level 3	\$ 3.11	\$ (0.19)	\$ (0.58)	\$ -	\$ 0.18	\$ 2.52	
Level 4	\$ 0.94	\$ (0.07)	\$ (0.44)	\$ -	\$ 0.05	\$ 0.49	
Level 5	\$ 5.50	\$ -	\$ (2.75)	\$ -	\$ 1.97	\$ 4.72	
Total	\$ 24.29	\$ (3.74)	\$ (4.57)	\$ -	\$ 2.30	\$ 18.29	75.3%

Benefit /s using AV Model

0.9084

Relativity Derivation of Non-Pediatric Preferred Dental Benefit - LOW OPTION

Modeling below based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the combined ACA Individual dental book of business and projected to 2017.

Benefit Design	In Network
Deductible	\$100 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Annual Benefit Maximum	\$1,000

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 13.88	\$ (4.51)	\$ -	\$ (0.14)	\$ -	\$ 9.23	
Level 2	\$ 10.35	\$ (1.57)	\$ (1.76)	\$ (0.12)	\$ 0.00	\$ 6.90	
Level 3	\$ 7.90	\$ (0.68)	\$ (1.44)	\$ (0.20)	\$ 0.00	\$ 5.56	
Level 4	\$ 14.22	\$ (0.97)	\$ (6.62)	\$ (0.58)	\$ -	\$ 6.04	
Level 5	\$ 0.01	\$ -	\$ (0.00)	\$ -	\$ -	\$ 0.00	
Total	\$ 46.35	\$ (7.74)	\$ (9.83)	\$ (1.04)	\$ 0.00	\$ 27.74	59.9%

PRIOR BENEFIT

Benefit Design	In Network
Deductible	\$65 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Annual Benefit Maximum	\$1,000
Out of Pocket Maximum	\$1,000,000

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 13.88	\$ (2.97)	\$ -	\$ (0.18)	\$ -	\$ 10.73	
Level 2	\$ 10.35	\$ (1.02)	\$ (1.86)	\$ (0.16)	\$ -	\$ 7.30	
Level 3	\$ 7.90	\$ (0.45)	\$ (1.49)	\$ (0.28)	\$ -	\$ 5.68	
Level 4	\$ 14.22	\$ (0.63)	\$ (6.79)	\$ (0.67)	\$ -	\$ 6.12	
Level 5	\$ 0.01	\$ -	\$ (0.00)	\$ -	\$ -	\$ 0.00	
Total	\$ 46.35	\$ (5.07)	\$ (10.15)	\$ (1.30)	\$ -	\$ 29.83	64.4%

Benefit /\s using AV Model

0.9301

CAREFIRST BLUECROSS BLUESHIELD
DERIVATION OF NECESSARY RATE ACTION BASED ON EXPERIENCE DATA
GHMSI Individual Standalone BlueDental Preferred High and Low Options
EXPERIENCE SUMMARY AND PRICING WORKSHEET FOR RATES EFFECTIVE 01/01/2017
DISTRICT OF COLUMBIA

EXPERIENCE PERIOD (EP): 01/01/2015 - 12/31/2015 Paid Through 02/29/2016 (12/14)

PROJECTION PERIOD: 01/01/2017 - 12/31/2017

DICR: ACA DENTAL
66.63%

	(1) CONTRACTS ON 2/29/2016	(2) MEMBER MONTHS DURING EP	(3) INCURRED CLAIMS DURING EP	(4) INCOME DURING EP	(5) LOSS RATIO	(6) PRICING TREND	(7) Month TREND FACTOR	(8) Benefit /s using AV Model Proposed Benefit / Prior Benefit)-1	(9) PROJECTED CLAIMS	(10) REQUIRED INCOME	(11) INCOME ADJUSTMENT FACTORS	(12) INCOME AT 01/16 LEVEL	(13) W/O A RATE INCREASE INCOME AT 01/16 LEVEL	(14) NEEDED RATE INCREASE 01/17 vs 01/16	(15) PROPOSED RATE INCREASE 01/17 vs 01/16
BLUEDENTAL HIGH OPTION															
Pedriatic Age <=19	95	1,058	\$ 15,837	\$ 1,575	1005.4%	1.0300	1.0609	1.0000	\$16,801	\$25,215	1.2396	\$ 1,953	860.4%	1191.4%	29.5%
>19	1,745	19,459	\$ 557,443	\$ 538,495	103.5%	1.0300	1.0609	1.0000	\$591,392	\$887,575	1.2396	\$ 667,529	88.6%	33.0%	29.5%
TOTAL HIGH OPTION	1,840	20,517	\$ 573,280	\$ 540,070	106.1%	1.0300	1.0609		\$608,193	\$912,790	1.2396	\$ 669,481	90.8%	36.3%	29.5%
BLUEDENTAL LOW OPTION															
Pedriatic Age <=19	0	348	\$ 539	\$ 577	93.5%	1.0300	1.0609	0.9084	\$520	\$780	1.2921	\$ 745	69.8%	4.7%	0.0%
>19	382	3,056	\$ 37,677	\$ 77,546	48.6%	1.0300	1.0609	0.9301	\$37,178	\$55,798	1.2921	\$ 100,201	37.1%	-44.3%	0.0%
TOTAL LOW OPTION	382	3,404	\$ 38,217	\$ 78,122	48.9%	1.0300	1.0609		\$37,698	\$56,578	1.2921	\$ 100,946	37.3%	-44.0%	0.0%
BLUEDENTAL															
Pedriatic Age <=19	95	1,406	\$ 16,376	\$ 2,152	1098.9%	1.0300	1.0609		\$17,321	\$25,996	1.2537	\$ 2,698	642.1%	863.6%	21.4%
>19	2,127	22,515	\$ 595,121	\$ 616,041	152.1%	1.0300	1.0609		\$628,570	\$943,373	1.2462	\$ 767,730	81.9%	22.9%	25.6%
TOTAL	2,222	23,921	\$ 611,497	\$ 618,193	98.9%	1.0300	1.0609		\$645,891	\$969,369	1.2463	\$ 770,427	83.8%	25.8%	25.6%

Group Hospitalization and Medical Services, Inc. (GHMSI)
INDIVIDUAL DENTAL STANDALONE EXCHANGE
DC Individual BlueDental High Option Experience

Month	Contracts	Members	Revenue	Paid	Completion Factor	Incurred Claims	Monthly Loss Ratio	Rolling 12 PMPM	Rolling-12 Trend
201401	21	25	\$644	\$520	1.00	\$520	80.8%		
201402	42	48	\$1,224	\$1,687	1.00	\$1,687	137.9%		
201403	94	106	\$2,816	\$8,013	1.00	\$8,013	284.5%		
201404	179	207	\$5,490	\$8,265	1.00	\$8,265	150.5%		
201405	251	291	\$7,789	\$17,163	1.00	\$17,163	220.4%		
201406	301	355	\$9,397	\$15,298	1.00	\$15,298	162.8%		
201407	387	458	\$12,234	\$21,890	1.00	\$21,890	178.9%		
201408	441	525	\$13,778	\$19,212	1.00	\$19,215	139.5%		
201409	520	625	\$16,172	\$26,206	1.00	\$26,209	162.1%		
201410	579	694	\$19,070	\$21,890	1.00	\$21,893	114.8%		
201411	584	702	\$18,615	\$21,466	1.00	\$21,468	115.3%		
201412	617	745	\$19,384	\$27,534	1.00	\$27,546	142.1%	\$39.57	
201501	885	1,052	\$26,539	\$34,890	1.00	\$34,922	131.6%	\$38.49	
201502	1,004	1,198	\$32,341	\$34,430	1.00	\$34,485	106.6%	\$36.84	
201503	1,306	1,516	\$40,226	\$46,212	1.00	\$46,319	115.1%	\$35.21	
201504	1,390	1,619	\$43,730	\$56,580	1.00	\$56,796	129.9%	\$35.09	
201505	1,437	1,675	\$44,614	\$50,907	0.99	\$51,250	114.9%	\$33.80	
201506	1,505	1,755	\$46,355	\$53,431	0.99	\$53,944	116.4%	\$33.11	
201507	1,581	1,847	\$49,004	\$44,901	0.99	\$45,511	92.9%	\$31.50	
201508	1,601	1,879	\$48,791	\$46,405	0.98	\$47,337	97.0%	\$30.55	
201509	1,673	1,958	\$51,438	\$43,242	0.97	\$44,473	86.5%	\$29.20	
201510	1,720	2,003	\$52,451	\$55,274	0.96	\$57,602	109.8%	\$29.06	
201511	1,706	1,993	\$51,997	\$43,668	0.94	\$46,415	89.3%	\$28.41	
201512	1,731	2,022	\$52,891	\$57,278	0.91	\$62,923	119.0%	\$28.37	-28.31%
201601	1,878	2,190	\$73,935	\$40,182	0.82	\$48,892	66.1%	\$27.52	-28.51%
201602	1,840	2,148	\$71,861	\$45,820	0.37	\$122,375	170.3%	\$30.25	-17.89%
Experience Period	17,539	20,517	\$540,377	\$567,219		\$581,975			

Group Hospitalization and Medical Services, Inc. (GHMSI)
INDIVIDUAL DENTAL STANDALONE EXCHANGE
DC Individual BlueDental Low Option Experience

Month	Contracts	Members	Revenue	Paid	Completion Factor	Incurred Claims	Monthly Loss Ratio	Rolling 12 PMPM	Rolling-12 Trend
201401									
201402									
201403									
201404									
201405									
201406									
201407									
201408									
201409									
201410									
201411									
201412									
201501	58	75	\$1,440.54	\$23.50	1.00	\$24	1.6%		
201502	96	118	\$2,959.53	\$662.30	1.00	\$663	22.4%		
201503	191	238	\$6,163.12	\$4,390.40	1.00	\$4,401	71.4%		
201504	209	263	\$6,212.95	\$3,013.65	1.00	\$3,025	48.7%		
201505	219	271	\$5,944.54	\$3,546.83	0.99	\$3,571	60.1%		
201506	235	290	\$6,430.08	\$1,972.17	0.99	\$1,991	31.0%		
201507	259	321	\$7,421.72	\$3,958.77	0.99	\$4,012	54.1%		
201508	270	336	\$7,840.29	\$2,225.41	0.98	\$2,270	29.0%		
201509	289	360	\$8,184.04	\$3,090.51	0.97	\$3,178	38.8%		
201510	304	384	\$8,844.71	\$4,596.82	0.96	\$4,790	54.2%		
201511	296	376	\$8,410.37	\$3,839.53	0.94	\$4,081	48.5%		
201512	292	372	\$8,347.19	\$6,082.44	0.91	\$6,682	80.0%	\$11.37	
201601	362	463	\$13,971.65	\$6,017.93	0.82	\$7,322	52.4%	\$12.13	
201602	382	487	\$14,077.12	\$9,331.05	0.37	\$24,921	177.0%	\$16.88	
Experience Period	2,718	3,404	\$78,199	\$37,402		\$38,689			

Group Hospitalization and Medical Services, Inc. (GHMSI)
INDIVIDUAL DENTAL STANDALONE EXCHANGE
DC Individual BlueDental Preferred Experience

Month	Contracts	Members	Revenue	Paid	Completion Factor	Incurred Claims	Monthly Loss Ratio	Rolling 12 PMPM	Rolling-12 Trend
201401	21	25	\$644.00	\$520.40	1.00	\$520	80.8%		
201402	42	48	\$1,223.72	\$1,686.98	1.00	\$1,687	137.9%		
201403	94	106	\$2,816.31	\$8,013.04	1.00	\$8,013	284.5%		
201404	179	207	\$5,489.71	\$8,264.69	1.00	\$8,265	150.5%		
201405	251	291	\$7,788.51	\$17,162.67	1.00	\$17,163	220.4%		
201406	301	355	\$9,396.61	\$15,297.99	1.00	\$15,298	162.8%		
201407	387	458	\$12,233.88	\$21,890.23	1.00	\$21,890	178.9%		
201408	441	525	\$13,777.64	\$19,212.26	1.00	\$19,215	139.5%		
201409	520	625	\$16,172.35	\$26,205.84	1.00	\$26,209	162.1%		
201410	579	694	\$19,070.20	\$21,890.08	1.00	\$21,893	114.8%		
201411	584	702	\$18,615.16	\$21,465.56	1.00	\$21,468	115.3%		
201412	617	745	\$19,384.04	\$27,533.68	1.00	\$27,546	142.1%	\$39.57	
201501	943	1,127	\$27,979.45	\$34,913.34	1.00	\$34,945	124.9%	\$38.01	
201502	1,100	1,316	\$35,300.30	\$35,091.92	1.00	\$35,148	99.6%	\$35.95	
201503	1,497	1,754	\$46,389.60	\$50,602.46	1.00	\$50,720	109.3%	\$34.07	
201504	1,599	1,882	\$49,942.92	\$59,593.58	1.00	\$59,822	119.8%	\$33.54	
201505	1,656	1,946	\$50,558.68	\$54,454.12	0.99	\$54,821	108.4%	\$32.07	
201506	1,740	2,045	\$52,784.67	\$55,403.18	0.99	\$55,935	106.0%	\$31.09	
201507	1,840	2,168	\$56,425.84	\$48,860.13	0.99	\$49,523	87.8%	\$29.44	
201508	1,871	2,215	\$56,631.51	\$48,630.54	0.98	\$49,607	87.6%	\$28.32	
201509	1,962	2,318	\$59,622.34	\$46,332.61	0.97	\$47,651	79.9%	\$26.92	
201510	2,024	2,387	\$61,295.44	\$59,871.20	0.96	\$62,392	101.8%	\$26.67	
201511	2,002	2,369	\$60,407.68	\$47,507.93	0.94	\$50,496	83.6%	\$25.98	
201512	2,023	2,394	\$61,237.76	\$63,360.48	0.91	\$69,605	113.7%	\$25.95	-34.42%
201601	2,240	2,653	\$87,906.46	\$46,199.96	0.82	\$56,214	63.9%	\$25.23	-33.63%
201602	2,222	2,635	\$85,938.05	\$55,150.98	0.37	\$147,296	171.4%	\$28.17	-21.62%
Experience Period	20,257	23,921	\$618,576	\$604,621		\$620,664	100.3%		

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
Desired Incurred Claims Ratio Derivation

1 2 3 4 5 6 7

PREFERRED

		Composite		Approved 1/1/2016	
		PMPM	%	PMPM	%
1	Projected Claims	\$27.00	66.63%	\$19.65	63.87%
2	Admin Costs *	\$9.72	23.99%	\$7.47	24.27%
3	Patient Outcome Tax	\$0.00	0.00%	\$0.00	0.00%
4	Reinsurance	\$0.00	0.00%	\$0.00	0.00%
5	Broker Commissions & Fees	\$2.54	6.27%	\$1.89	6.14%
6	Contrib to Reserve	\$0.00	0.00%	\$0.00	0.00%
7	Invst Income Credit	\$0.00	0.00%	\$0.00	0.00%
8	Premium Taxes/Community Health Investment	\$0.81	2.00%	\$0.60	2.00%
9	Assessment Fees	\$0.05	0.11%	\$0.03	0.11%
10	Federal Income Tax	\$0.00	0.00%	\$0.00	0.00%
11	State Income Tax	\$0.00	0.00%	\$0.00	0.00%
12	Exchange Assessment Fees	\$0.41	1.00%	\$0.30	1.00%
13	General Insurer Tax	\$0.00	0.00%	\$0.78	2.60%
14	Total	\$40.52	100.00%	\$30.76	100.00%

Pre-Tax Contribution to Reserves

0.0%

0.0%

*** Estimated Breakdown of Admin Costs**

	% of Revenue
Salaries/Wages/Benefits	10.28%
Quality Improvement Activities	0.00%
Other General Admin	13.71%
Total Admin Costs	23.99%

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
Base Rate History

HIOS ID	EXCHANGE	PREFERRED OPTIONS*	BASE RATES	BASE RATES	BASE RATES	PROPOSED BASE RATES	% Rate Change
			1/1/2014	1/1/2015	1/1/2016	1/1/2017	
78079DC0320001	ON	BLUEDENTAL PREFERRED HIGH OPTION	\$26.24	\$26.25	\$32.54	\$42.14	29.5%
78079DC0320003	OFF	BLUEDENTAL PREFERRED HIGH OPTION	\$26.24	\$26.25	\$32.54	\$42.14	29.5%
78079DC0320002	ON	BLUEDENTAL PREFERRED LOW OPTION**	N/A	\$22.42	\$28.97	\$28.97	0.0%
78079DC0320004	OFF	BLUEDENTAL PREFERRED LOW OPTION**	N/A	\$22.42	\$28.97	\$28.97	0.0%

* Member Level Rating effective 1/1/15.

** Preferred Dental Low Option was first launched effective 1/1/2015.

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
Derivation of Percent of Total Premium Related to Essential Health Benefits

			ON & OFF EXCHANGE DENTAL PLAN	ON & OFF EXCHANGE DENTAL PLAN
			BLUEDENTAL PREFERRED HIGH OPTION	BLUEDENTAL PREFERRED LOW OPTION
#	FORMULA			
a	Pricing Page = (9) / (2)	Total Projected Incurred Claims PMPM	\$ 29.64	\$ 11.07
b		Expected Loss Ratio	66.63%	66.63%
c	(c) = (a)/(b)	Projected Rate	\$ 44.49	\$ 16.62
d	Pricing Page = (9) / (2)	Projected Pediatric Incurred Claims PMPM	\$ 15.88	\$ 1.49
e		% of Members <=19	5.2%	10.2%
f	(f) = (d) * (e) / (b)	Projected Average Pediatric Rate PMPM Basis	\$ 1.23	\$ 0.23
g	(g) = (f) / (c)	% of Total Average Premium Allocable to the Pediatric Dental EHB	2.8%	1.4%
h		Child Only Plan Rate	\$ 34.30	\$ 21.79
i		EHB % of Child Only Plan Rate	100.0%	100.0%

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017

Age Factors

BLUEDENTAL PREFERRED HIGH OPTION			
Age	Current Factor	Proposed Factor	%
0-20	0.814	0.814	0.0%
21+	1.052	1.052	0.0%

BLUEDENTAL PREFERRED LOW OPTION			
Age	Current Factor	Proposed Factor	%
0-20	0.752	0.752	0.0%
21+	1.069	1.069	0.0%

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
RATE COMPARISON

HIGH OPTION	Approved Base Rate Effective 1/1/2016	Proposed Base Rate Effective 1/1/2017	
BASE RATES	\$32.54	\$42.14	29.5%
Age	Member Rate	Member Rate	% Diff
0-20	\$26.49	\$34.30	29.5%
21 +	\$34.23	\$44.33	29.5%

LOW OPTION	Approved Base Rate Effective 1/1/2016	Proposed Base Rate Effective 1/1/2017	
BASE RATES	\$28.97	\$28.97	0.0%
Age	Member Rate	Member Rate	% Diff
0-20	\$21.79	\$21.79	0.0%
21 +	\$30.97	\$30.97	0.0%

Please note we use a 0-20 age band to comply with the templates required for the submission of rates to the Exchange.

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017

Rating Methodology & Sample Calculation

Methodology:

1. For each subscriber, identify:

- All dependents associated with the subscriber including the following categories
 - Spouse/Domestic Partner
 - # of children ages 21 or older
 - # of children under age 21 (if more than 3, select 3 oldest children) *

Example 1

A spouse, and 1 child
 1
 0
 1

Example 2

Adult and 5 children (with one child greater than 19 yrs old)
 0
 1
 4

2. For each subscriber and dependent, identify the following:

A. Age

B. Age Factor

Subscriber	Spouse	Child 1
46	34	15
1.052	1.052	0.814

Subscriber	Child 1 (Adult)	Child 1	Child 2	Child 3	Child 4
52	22	6	10	13	18
1.052	1.052		0.814	0.814	0.814

3. Identify the appropriate Dental benefit - Preferred HIGH OPTION

\$42.14	\$42.14	\$42.14
---------	---------	---------

\$42.14	\$42.14		\$42.14	\$42.14	\$42.14
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4. Round to the nearest cent to determine the member's individual rate.

\$44.33	\$44.33	\$34.30
---------	---------	---------

\$44.33	\$44.33		\$34.30	\$34.30	\$34.30
---------	---------	--	---------	---------	---------

5. The subscriber's total rate is the sum of individual rates for all subscribers and members combined.

\$122.96

\$191.56

* Note: Effective 1/1/2017, we will only consider the 3 oldest dependents in our rating methodology in order to comply with the revised DC Carrier Manual. We will also impose this cap Off Exchange in order to maintain rate consistency with On Exchange business.

**RATE FILING REQUIREMENTS INDIVIDUAL AND SMALL GROUP PLANS SOLD ON DC HEALTH LINK
CHECK-LIST**

INSTRUCTIONS: Include all required elements in the table below with the filed rates. The data elements listed in the Actuarial Memorandum should be consistent with the cover letter, if applicable.

Number	Data Element	Requirement Description	Individual and Small Group	
			Has the Data Element Been Included?	Location of the Data Element
1	Purpose of Filing	State the purpose of the filing. Identify the applicable law. List the proposed changes to the base rates and rating factors, and provide a general summary.	Y	Pages 3 - 4
2	Form Numbers	Form numbers should be listed in the actuarial memorandum.	Y	Pages 3 - 4
3	HIOS Product ID	The HIOS product ID should be listed in the actuarial memorandum.	Y	Pages 20
4	Effective Date	The requested effective date of the rate change. For filings effective 1/1/2017 and later, follow filing due date requirements.	Y	Page 1
5	Market	Indicate whether the products are sold in the individual or small employer group market.	Y	Page 1
6	Status of Forms	Indicate whether the forms are open to new sales, closed, or a mixture of both, and whether the forms are grandfathered, non- grandfathered, or a mixture of both.	Y	Pages 3 - 4
7	Benefits/Metal level(s)	Include a basic description of the benefits of the forms referenced in the filing and the metal level of each plan design.	Y	Pages 6 - 7
7.1	AV Value	Provide the actuarial value of each plan design using the AV calculator developed and made available by HHS.	NA	Pages 8 for High Option and Pages 10 for Low Option
8	Average Rate Increase Requested	The weighted average rate increase being requested, incremental and year-over-year renewal. The weights should be based on premium volume. In the small group market, please also provide weighted average rate increase requested for 2016Q1 over 2015Q1; etc.	Y	Pages 17
9	Maximum Rate Increase Requested	The maximum rate increase that could be applied to a policyholder based on changes to the base rate and rating factors, incremental and year-over-year renewal. (Does not include changes in the demographics of the covered members.)	Y	Pages 20
10	Minimum Rate Increase Requested	The minimum rate increase that could be applied to a policyholder based on changes to the base rate and rating factors, incremental and year-over-year renewal. (Does not include changes in the demographics of the covered members.)	Y	Pages 20
11	Absolute Maximum Premium Increase	The absolute maximum year-over-year renewal rate increase that could be applied to a policyholder, including demographic changes such as aging.	Y	Pages 20
12	Average Renewal Rate Increase for a Year	Calculate the average renewal rate increase, weighted by written premium, for renewals in the year ending with the effective period of the rate filing. The calculation must be performed for each HIOS product ID.	Y	Pages 20
13	Rate Change History	Rate change history of the forms referenced in the filing. If nationwide experience is used in developing the rates, provide separately the rate history for Maryland and the nationwide average rate history.	Y	Pages 17
14	Exposure	Current number of policies, certificates and covered lives.	Y	Pages 13 - 15
15	Member Months	Number of members in force during each month of the base experience period used in the rate development and in each of the two preceding twelve-month periods.	Y	Pages 13 - 15
16	Past Experience	Provide monthly earned premium and incurred claims for the base experience period used in the rate development and each of the two preceding twelve-month periods.	Y	Pages 13 - 15
17	Index Rate	Provide the index rate.	NA	Not applicable to Standalone Dental
17.1	Rate Development	Show base experience used to develop rates and all adjustments and assumptions applied to arrive at the requested rates. For less than fully credible blocks, disclose the source of the base experience data used in the rate development and discuss the appropriateness of the data for pricing the policies in the filing.	Y	Pages 12
18	Credibility Assumption	If the experience of the policies included in the filing is not fully credible, state and provide support for the credibility formula used in the rate development.	Y	Pages 3 - 4
19	Trend Assumption	Show trend assumptions by major types of service as defined by HHS in the Part I Preliminary Justification template, separately by unit cost, utilization, and in total. Provide the development of the trend assumptions.	Y	Pages 3 - 4

20	Cost-Sharing Changes	Disclose any changes in cost sharing for the plans between the base experience period for rating and the requested effective date. Show how the experience has been adjusted for cost-sharing changes in the rate development. Provide support for the estimated cost impact of the cost-sharing changes.	Y	Pages 12
21	Benefit Changes	Disclose any changes in covered benefits for the plans between the base experience period for rating and the requested effective date. Show how the experience has been adjusted for changes in covered benefits in the rate development. Provide support for the estimated cost impact of the benefit changes.	Y	Pages 3 - 4
22	Plan Relativities	For rate change filings, if the rate change is not uniform for all plan designs, provide support for all requested rate changes by plan design. Disclose the minimum, maximum, and average impact of the changes on policyholders. For initial filings, provide the derivation of any new plan factors.	Y	Pages 20
23	Rating Factors	Provide the age and other rating factors used. Disclose any changes to rating factors, and the minimum, maximum, and average impact on policyholders. Provide support for any changes.	Y	Pages 19
23.1	Wellness Programs	Describe any wellness programs (as defined in section 2705(j) of the PHS Act) included in this filing.	NA	Not applicable to Standalone Dental
24	Distribution of Rate Increases	Anticipated distribution of rate increases due to changes in base rates, plan relativities, and rating factors. This need not include changes in demographics of the individual or group.	Y	Pages 20
25	Claim Reserve Needs	Provide the claims for the base experience period separately for paid claims, and estimated incurred claims (including claim reserve). Indicate the incurred period used for the base period. Indicate the paid-through date of the paid claims, and provide a basic description of the reserving methodology for claims reserves and contract reserves, if any. Provide margins used, if any.	Y	Pages 13 - 15
26	Administrative Costs of Programs that Improve Health Care Quality	Show the amount of administrative costs included with claims in the numerator of the MLR calculation . Show that the amount is consistent with the most recently filed Supplemental Health Care Exhibit or provide support for the difference.	NA	Not applicable to Standalone Dental
27	Taxes and Licensing or Regulatory Fees	Show the amount of taxes, licenses, and fees subtracted from premium in the denominator of your medical loss ratio calculation(c). Show that the amount is consistent with the most recently filed Supplemental Health Care Exhibit or provide support for the difference.	Y	Page 16
28	Medical Loss Ratio (MLR)	Demonstrate that the projected loss ratio, including the requested rate change, meets the minimum MLR. Show the premium, claims, and adjustments separately with the development of the projected premium and projected claims (if not provided in the rate development section). If the loss ratio falls below the minimum for the subset of policy forms in the filing, show that when combined with all other policy forms in the market segment in Maryland, the loss ratio meets the minimum.	NA	Not applicable to Standalone Dental
29	Risk Adjustment	Provide rate information relating to the Risk Adjustment program. Information should include assumed Risk Adjustment user fees, Risk Adjustment PMPM excluding user fees and assumed distribution of enrollment by risk score, plan, and geographical area. Provide support for the assumptions, including any demographic changes. Provide information/study on the development of risk scores and Risk Adjustment PMPM. Provide previous year-end estimated risk adjustment payable or receivable amount and quantitative support for the amount.	NA	Not applicable to Standalone Dental
29.1	Reinsurance	Provide information on the Reinsurance contribution assumption, consistent with the national contribution rate for the projection period. In individual filings, provide information on the Reinsurance recovery assumption, consistent with the company's continuation table used in pricing. Provide previous year-end estimated reinsurance payable amount and quantitative support for the amount.	NA	Not applicable to Standalone Dental
29.2	Risk Corridor	Does the company assume Risk Corridor charges or payments? If so, provide support. Provide previous year-end estimated risk corridor payable or receivable amount and quantitative support for the amount.	NA	Not applicable to Standalone Dental
30	Past and Prospective Loss Experience Within and Outside the State	Indicate whether loss experience within or outside the state was used in the development of proposed rates. Provide an explanation for using loss experience within or outside the state.	NA	N/A
31	A Reasonable Margin for Reserve Needs	Show the assumed Margin for Reserve Needs used in the development of proposed rates. Margin for Reserve Needs includes factors that reflect assumed contributions to the company's surplus or the assumed profit margin. Demonstrate how this assumption was derived, how the assumption has changed from prior filings, and provide support for changes. If the assumption for Qualified Health Plans exceeds 3% as assumed in the risk corridor formula, justify the excess in light of the company's surplus position.	Y	Page 16

32	Past and Prospective Expenses	<p>Indicate the expense assumptions used in the development of proposed rates. Demonstrate how this assumption was derived. Show how this assumption has changed from prior filings, and provide support for any change.</p> <p>Provide the assumed administrative costs in the following categories:</p> <ul style="list-style-type: none"> • Salaries, wages, employment taxes, and other employee benefits • Commissions • Taxes, licenses, and other regulatory fees • Cost containment programs / quality improvement activities • All other administrative expenses • Total 	Y	Page 16
33	Any Other Relevant Factors Within and Outside the State	Show any other relevant factors that have been considered in the development of the proposed rates. Demonstrate how any related assumptions were derived. Show how these assumptions have changed from prior filings, and provide support for any change.	Y	Pages 3 - 4
34	Other	Any other information needed to support the requested rates or to comply with Actuarial Standard of Practice No. 8.	Y	Pages 3 - 4
35	Actuarial Certification	Signed and dated certification by a qualified actuary that the anticipated loss ratio meets the minimum requirement, the rates are reasonable in relation to benefits, the filing complies with the laws and regulations of the District of Columbia and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the rates are not unfairly discriminatory.	Y	Page 5
36	Part I Preliminary Justification (Grandfathered Plan Filings)	Rate Summary Worksheet --- Provide this document with all Grandfathered plan filings. Provide in Excel and PDF format.	NA	Not applicable to Standalone Dental
36.1	Unified Rate Review Template (Non- Grandfathered Filings)	Unified Rate Review Template as specified in the proposed Federal Rate Review regulation. Provide this document with all Non-Grandfathered plan filings. Provide in Excel and PDF format.	NA	Not applicable to Standalone Dental
37	Part II Preliminary Justification	Written description justifying the rate increase as specified by 45 CFR § 154.215(f). Provide for <i>all</i> individual and small employer group filings (whether or not they are “subject to review” as defined by HHS).	NA	Not applicable to Standalone Dental
38	DISB Actuarial Memorandum Dataset	Summarizes data elements contained in Actuarial Memorandum. Provide this document with all Non-Grandfathered plan filings. Provide in Excel format only.	NA	Not applicable to Standalone Dental
39	District of Columbia Plain Language Summary	Similar to the Part II Preliminary Justification, this is a written description of the rate increase as specified by 45 CFR § 154.215, but as a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. Provide this document for all individual and small employer group filings.	NA	Not applicable to Standalone Dental
40	Additional Requirements for Stand-Alone Dental Plan Filings	<p>Provide the following for stand-alone dental plan filings:</p> <ul style="list-style-type: none"> • Identification of the level of coverage (i.e. low or high), including the actuarial value of the plan determined in accordance with the proposed rule; • Certification of the level of coverage by a member of the American Academy of Actuaries using generally accepted actuarial principles; and • Demonstration that the plan has a reasonable annual limitation on cost-sharing. 	Y	Pages 8 for High Option, 10 for Low Option and 5 for Actuarial Certification

CERTIFYING SIGNATURE

The undersigned representative of the organization submitting this rate filing attests that all items contained in the above checklist have been included in the filing to the best of the company’s ability.

Dwayne Lucado, FSA, MAAA
Director, Actuarial Pricing

(Print Name)

Dwayne Lucado

(Signature)

Digitally signed by Dwayne
Lucado
Date: 2016.05.05 16:14:56 -04'00'

State:	District of Columbia	Filing Company:	Group Hospitalization and Medical Services, Inc.
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	Filing # 2117 DC GHMSI Individual Dental - ACA Eff 201701		
Project Name/Number:	/2117		

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/14/2016		Rate	File 2117_DC GHMSI Indiv Dental 1.1.17_Rates	05/05/2016	File 2117_DC GHMSI Indiv Dental 1.1.17_Rates.pdf (Superceded)
04/14/2016		Supporting Document	Cover Letter All Filings	05/05/2016	
04/14/2016		Supporting Document	Actuarial Memorandum	05/05/2016	File 2117_DC GHMSI Indiv Dental 1.1.17_Actuarial Memorandum.pdf (Superceded)

GHMSI, Inc.
DC Individual (Over and Under 65) Market
Standalone BlueDental Filing
ON & OFF EXCHANGE

Premiums Effective 1/1/2017

Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
NAIC # 53007
DC Individual (Over and Under 65) Market Standalone Dental - On and Off Exchange
Rates Effective 1/1/2017

Form Numbers Impacted By This Filing

ON EXCHANGE FORM NUMBERS:

DC/CF/EXC/2017 DENTAL AMEND (1/17)

OFF EXCHANGE FORM NUMBERS:

DC/CF/DB/2017 DENTAL AMEND (1/17)

GHMSI, Inc.
Individual (Over and Under 65) Market Standalone Dental Filing Effective 1/1/2017
Proposed Pediatric and Non-Pediatric Base Rates

HIOS ID

ON EXCHANGE 78079DC0320001

OFF EXCHANGE 78079DC0320003

BlueDental Preferred Benefit Design HIGH OPTION - ON & OFF EXCHANGE

	In Network	Out of Network
Deductible (Applies to Classes 2 - 4)	\$60	\$120
Plan Coinsurance		
Class 1	100%	80%
Class 2	80%	60%
Class 3	80%	60%
Class 4	50%	35%
Class 5 (only applies to Pediatric Dental)	50%	35%
<u>Pediatric</u>		
Annual Benefit Maximum	Unlimited	
Member Out of Pocket Maximum	\$350 for In Network and \$700 for 2 or more children	
<u>Adult</u>		
Annual Benefit Maximum	\$1000 per member combined for In and Out of Network	
Member Out of Pocket Maximum	Unlimited	

Gross Monthly Base Rate	\$42.14
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CareFirst BlueCross BlueShield (GHMSI)
Individual (Over and Under 65) Market Standalone Dental Filing Effective 1/1/2017
Proposed Pediatric and Non-Pediatric Base Rates

HIOS ID

ON EXCHANGE 78079DC0320002

OFF EXCHANGE 78079DC0320004

BlueDental Preferred Benefit Design LOW OPTION - ON & OFF EXCHANGE

	In Network	Out of Network
Deductible (Applies to Classes 1 - 4)	\$100	\$200
Plan Coinsurance		
Class 1	100%	80%
Class 2	80%	60%
Class 3	80%	60%
Class 4	50%	35%
Class 5 (only applies to Pediatric Dental)	50%	35%
<u>Pediatric</u>		
Annual Benefit Maximum	Unlimited	
Member Out of Pocket Maximum	\$350 for In Network	
<u>Non-Pediatric</u>		
Annual Benefit Maximum	\$1000 combined for In and Out of Network	
Member Out of Pocket Maximum	Unlimited	

Gross Monthly Base Rate	\$28.97
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GHMSI, Inc.
NAIC # 53007

Rate Filing # 2117
DC Individual (Over and Under 65) Market
Standalone BlueDental Filing
ON & OFF EXCHANGE
Rates Effective 1/1/2017

CareFirst BlueCross BlueShield (GHMSI)
DC Individual (Over and Under 65) Market
Standalone BlueDental Filing
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Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
NAIC # 53007
DC Individual Market Standalone Dental - On and Off Exchange
Rates Effective 1/1/2017
Actuarial Memorandum

Purpose and Scope of Filing

This submission pertains to the District of Columbia Individual (Over and Under 65) market dental portfolio of GHMSI, Inc. Included in this filing are our proposed gross PMPM changes effective January 1, 2017 for the existing BlueDental High and Low Options.

	Members	GROSS PMPM	PROPOSED GROSS PMPM	
DENTAL BENEFIT	as of 2/29/16	1/1/2016	1/1/2017	% Rate Change
BLUEDENTAL PREFERRED HIGH OPTION	2,148	\$32.54	\$42.14	29.5%
BLUEDENTAL PREFERRED LOW OPTION	487	\$28.97	\$28.97	0.0%
TOTAL	2,635			25.6%

GHMSI is offering two preferred comprehensive standalone dental options in the Individual market both On and Off Exchange. These benefits will be embedded with pediatric dental coverage as required by the Pediatric Dental Essential Health Benefit. By the term "comprehensive" we mean "coverage is available to all ages." By the term "standalone" we mean that having CareFirst (CF) medical coverage is not required.

The proposed rate actions apply to both renewing and new business.

General Information

Company Legal Name: Group Hospitalization and Medical Services, Inc. (GHMSI)
Jurisdiction: District of Columbia
HIOS Issuer ID: 78079
Market: Individual Dental On and Off Exchange
Effective Date: 1/1/2017

Company Contact Information:

Primary Contact Name: Anna Guloy
Primary Contact Telephone: 410-998-5098
Primary Contact Email Address: anna.guloy@carefirst.com

Assumptions

The key assumptions in this filing are listed below.

Actuarial Value - Dental Actuarial Values (AVs) are based on internal CareFirst modeling. For the pediatric dental benefit, we are proposing benefit designs in the "High" and "Low" Actuarial Value ranges. The modeled AV for the High Option design is within the allowable range of 83% - 87% while the Low Option design is within the allowable range of 73% - 77%, as shown on pages 8 and 10. Calculation of the non-pediatric Preferred AV is provided in pages 9 and 11.

Trend - A 3% claims trend is assumed.

Desired Incurred Claims Ratio and Retention - The components of retention and the desired incurred claims ratio support are provided on page 16.

Use of Past Experience to Project Future Results

Since we now have a credible block of business in the ACA Individual dental market, we are using this experience as the basis of this proposal. The base experience used is deemed to be fully credible.

Please reference the pricing page (page 12) for the development of the needed rate actions.

The proposed rate changes are driven primarily because actual experience has been unfavorable as membership has grown. Our proposal to increase rates to adequate levels in order to moderate future needed increases.

The projected loss ratio is 66.63%.

The average annual premium is \$486.29.

Recognition of Plan Provisions

We are proposing to change the pediatric deductible from \$65 to \$100 for the BlueDental Low Option to maintain the Low Option AV. As a consequence, we are also proposing the same deductible changes to the Adult benefits.

Effective 1/1/2017, we will only consider the 3 oldest dependents in our rating methodology in order to comply with the technical limitations of the Exchange. We note that this is not required for dental business under federal regulation. We will also impose this cap Off Exchange in order to maintain rate consistency with On Exchange business.

Please refer to Rating Methodology (page 21) for a sample calculation.

This policy is guaranteed renewable in the Individual Market and is available to all exchange qualified individuals.

Projection of Future Capital and Surplus

The Pre-Tax Contribution to Reserves has been set to 0.0%.

Reasonableness of Assumptions

The assumptions used in this filing have been found to be reasonable both individually and in the aggregate.

Form Numbers Impacted By This Filing

This list contains the applicable forms for the products. Some of these are also used with other products, which may be open or closed to new sales. These forms are used with products that are both grandfathered and non-grandfathered.

ON EXCHANGE FORM NUMBERS:

DC/CF/EXC/2017 DENTAL AMEND (1/17)

OFF EXCHANGE FORM NUMBERS:

DC/CF/DB/2017 DENTAL AMEND (1/17)

Group Hospitalization and Medical Services, Inc. (GHMSI)
d.b.a. CareFirst BlueCross BlueShield
NAIC # 53007
DC Individual Market Standalone Dental - On and Off Exchange
Rates Effective 1/1/2017
Actuarial Certification

I, Dwayne Lucado, am a Director of Actuarial Pricing with Group Hospitalization and Medical Services, Inc. (GHMSI) doing business as CareFirst BlueCross BlueShield. I am a member of the American Academy of Actuaries. I have been involved in the development of these rates. Further, to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance for the individual market (on and off exchange) in DC for business effective post 1/1/2017. Since HHS does not provide a Dental Actuarial Value Calculator, the actuarial values (AV) of the dental plans being proposed have been calculated using an internal company dental model.

The methodologies and assumptions in this filing represent our best understanding, based on the available guidance and regulations, of the requirements and provisions of the Affordable Care Act as they relate to the StandAlone Dental product being proposed. To the extent that further guidance necessitates material changes to the assumptions or methods in this filing, revisions will be made.

This certification further applies to the determination of the Actuarial Value of the proposed pediatric benefits. In the absence of an official industry wide model, this has been modeled based on internal company data in a manner consistent with that used in the Federal AV Calculator for Medical plans.

This filing has been prepared in accordance with commonly accepted actuarial principles, that are consistent with applicable Actuarial Standards of Practice, including ASOP 8.

Dwayne Lucado

Digitally signed by Dwayne
Lucado
Date: 2016.04.29 16:10:16 -04'00'

Dwayne Lucado, FSA, MAAA
Director, Actuarial Pricing
Group Hospitalization and Medical Services, Inc.
Mail Drop-Point 01-780
10455 Mill Run Circle
Owings Mills, Md. 21117

CareFirst BlueCross BlueShield
Individual Market StandAlone Dental
Pediatric and Non-Pediatric Benefit and Class Descriptions

Preventive & Diagnostic Services (Class I)	
<ul style="list-style-type: none"> • Oral exams (two per Benefit Period) • Routine cleaning (prophylaxis) (two per Benefit Period) • Topical application of fluoride (two per Benefit Period, until the end of the calendar year the member reaches the age 19) • Topical fluoride varnish (four per Benefit Period until the end of the calendar year the member reaches the age 19) • Bitewing X-ray (two per Benefit Period) • Intraoral occlusal X-ray (two per Benefit Period, until the end of the calendar year in which the member reaches the age 19) • Pulp vitality tests (two per Benefit Period) • Intraoral complete series X-ray (once per 36 months) 	<ul style="list-style-type: none"> • Panoramic X-Ray (once per 36 months) • Cephalometric X-ray (once per 36 months) • Sealants on permanent molars (once per tooth per 60 months, until the end of the calendar year the member reaches the age 19) • Space maintainers when medically necessary due to the premature loss of a posterior primary tooth (once per quadrant per 24 months, until the end of the calendar year the member reaches the age 19) • Palliative treatments • Emergency oral exam • Periapical and occlusal X-rays • Professional consultation rendered by a Dentist
Basic Services (Class II)	
<ul style="list-style-type: none"> • Direct placement fillings using approved materials (one filling per surface per 36 months) • Simple extractions performed without general anesthesia 	<ul style="list-style-type: none"> • Periodontal scaling and root planing (once per 24 months per quadrant)
Major Services – Surgical (Class III)	
<ul style="list-style-type: none"> • Surgical periodontic services including gingivectomy or gingivoplasty (one treatment per 24 months per quadrant or per tooth, and two quadrants per 12 months) and osseous surgery (one treatment per 24 months per quadrant), limited or complete occlusal adjustments in connection with periodontal treatment, and mucogingival surgery limited to grafts and plastic procedures (one treatment per site, limited to one site or quadrant every 36 months for members age 19 and over) • Endodontics (root tip removal, pulpotomy for deciduous teeth, root canal for permanent teeth (one per tooth per lifetime), root resection (one per tooth per lifetime for members age 19 and over) 	<ul style="list-style-type: none"> • Oral surgery (surgical extractions including impactions, treatment for cysts, tumors and abscesses, biopsies of oral tissue, general anesthesia and/or IV sedation, apicoectomy, hemi-section, tooth reimplantation, vestibuloplasty, limitations apply) • Once per lifetime per tooth: Coronectomy, tooth transplantation, surgical repositioning of teeth, alveoloplasty, frenulectomy, excision of pericoronal gingiva
Major Services – Restorative (Class IV)	
<ul style="list-style-type: none"> • Metal and/or porcelain/ceramic crowns, inlays, onlays and crown build-ups (once per 60 months) • Stainless steel crowns (until the end of the calendar year the member reaches the age 19, limits apply) • Bridges (one per 60 months, members age 19 and over) • Complete and/or partial removable dentures (once per 60 months) • Denture adjustments, repairs and relining (limits apply) 	<ul style="list-style-type: none"> • Recementation of crowns and/or inlays (once per 12 months) • Recementation of bridges (once per 12 months, members age 19 and over) • Occlusal guard (once per 24 months) • Fabrication of athletic mouthguard (once per 12 months until the end of the calendar year in which the member reaches the age 19) • Dental implants (one per 60 months, members age 19 and over)
Medically Necessary Orthodontic Services (Class V) for members age 19 and under	
<p>If prior authorization is received for medically necessary orthodontia:</p> <ul style="list-style-type: none"> • Retainers (one set), replacement allowed one per arch per lifetime within 24 months of date of debanding, rebonding or recementing fixed retainer 	<ul style="list-style-type: none"> • Pre-orthodontic treatment visit • Braces (once per lifetime) • Periodic treatment visits (not to exceed 24 months)

**CareFirst BlueCross BlueShield
Individual Market StandAlone Dental
ON AND OFF EXCHANGE
PEDIATRIC AND ADULT
BlueDental Preferred Benefit Matrix**

BLUEDENTAL PREFERRED - HIGH OPTION

Individual Deductible		Family Deductible		Deductible Applies	Annual Maximum for Class I, II, III & IV Members Over 19	Out-of-Pocket Maximum Members Under 19	Class I Coinsurance		Class II Coinsurance		Class III Coinsurance		Class IV Coinsurance		Class V Coinsurance Mebers Under 19, Medically Necessary Ortho	
In	Out	In	Out				In	Out	In	Out	In	Out	In	Out	In	Out
\$60	\$120	\$180	\$360	2, 3 & 4 (In & Out)	\$1,000	\$350 for 1 member, \$700 for 2+members	100%	80%	80%	60%	80%	60%	50%	35%	50%	35%

BLUEDENTAL PREFERRED - LOW OPTION

Individual Deductible		Family Deductible		Deductible Applies	Annual Maximum for Class I, II, III & IV Members Over 19	Out-of-Pocket Maximum Members Under 19	Class I Coinsurance		Class II Coinsurance		Class III Coinsurance		Class IV Coinsurance		Class V Coinsurance Mebers Under 19, Medically Necessary Ortho	
In	Out	In	Out				In	Out	In	Out	In	Out	In	Out	In	Out
\$100	\$200	\$300	\$600	1-4 (In & Out)	\$1,000	\$350 for 1 member, \$700 for 2+members	100%	80%	80%	60%	80%	60%	50%	35%	50%	35%

Calculation of Actuarial Value of Pediatric Dental Benefit - PREFERRED HIGH OPTION

Modeling below based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the combined ACA Individual dental book of business and projected to 2017.

Consistent with HHS AV Calculator this modeling is independent of network. Only in-network cost sharing is modeled.

Benefit Design

Deductible

In Network

\$60

Applies to Levels 2 - 4 Only

Coinsurance (In-Network)

Level 1

100%

Level 2

80%

Level 3

80%

Level 4

50%

Level 5

50%

Out of Pocket Maximum

\$350

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated AV
Level 1	\$ 10.07	\$ -	\$ -	\$ -	\$ -	\$ 10.07	
Level 2	\$ 4.68	\$ (1.60)	\$ (0.62)	\$ -	\$ 0.08	\$ 2.55	
Level 3	\$ 3.11	\$ (0.29)	\$ (0.56)	\$ 0.00	\$ 0.17	\$ 2.43	
Level 4	\$ 0.94	\$ (0.11)	\$ (0.41)	\$ (0.00)	\$ 0.05	\$ 0.47	
Level 5	\$ 5.50	\$ -	\$ (2.75)	\$ -	\$ 1.95	\$ 4.70	
Total	\$ 24.29	\$ (2.00)	\$ (4.34)	\$ 0.00	\$ 2.25	\$ 20.21	83.2%

Relativity Derivation of Adult BlueDental Preferred Benefit - HIGH OPTION

Modeling below based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the ACA Individual dental book of business and projected to 2017.

Benefit Design

Deductible

In Network

\$60

Applies to Levels 2 - 4 Only

Coinsurance (In-Network)

Level 1

100%

Level 2

80%

Level 3

80%

Level 4

50%

Annual Benefit Maximum

\$1,000

Estimated PMPMs

		Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$	13.81	\$ -	\$ -	\$ (0.19)	\$ -	\$ 13.62	
Level 2	\$	10.19	\$ (1.92)	\$ (1.65)	\$ (0.18)	\$ 0.00	\$ 6.44	
Level 3	\$	7.73	\$ (0.59)	\$ (1.43)	\$ (0.30)	\$ -	\$ 5.42	
Level 4	\$	13.53	\$ (0.69)	\$ (6.42)	\$ (0.66)	\$ -	\$ 5.76	
Level 5	\$	0.01	\$ -	\$ (0.00)	\$ -	\$ -	\$ 0.00	
Total	\$	45.27	\$ (3.19)	\$ (9.51)	\$ (1.33)	\$ 0.00	\$ 31.24	69.0%

Calculation of Actuarial Value of Pediatric Dental Benefit - PREFERRED LOW OPTION

Modeling below is based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the ACA Individual dental book of business and projected to 2017.

Consistent with HHS AV Calculator this modeling is independent of network. Only in-network cost sharing is modeled.

Benefit Design	In Network
Deductible	\$100 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Level 5	50%
Out of Pocket Maximum	\$350

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated AV
Level 1	\$ 10.07	\$ (4.19)	\$ -	\$ (0.00)	\$ -	\$ 5.89	
Level 2	\$ 4.68	\$ (1.05)	\$ (0.73)	\$ -	\$ 0.11	\$ 3.02	
Level 3	\$ 3.11	\$ (0.29)	\$ (0.56)	\$ -	\$ 0.22	\$ 2.47	
Level 4	\$ 0.94	\$ (0.10)	\$ (0.42)	\$ -	\$ 0.06	\$ 0.48	
Level 5	\$ 5.50	\$ -	\$ (2.75)	\$ -	\$ 2.01	\$ 4.76	
Total	\$ 24.29	\$ (5.63)	\$ (4.46)	\$ (0.00)	\$ 2.40	\$ 16.61	68.4%

PRIOR BENEFIT

Benefit Design	In Network
Deductible	\$65 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Out of Pocket Maximum	\$350

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 10.07	\$ (2.80)	\$ -	\$ -	\$ -	\$ 7.28	
Level 2	\$ 4.68	\$ (0.69)	\$ (0.80)	\$ -	\$ 0.10	\$ 3.29	
Level 3	\$ 3.11	\$ (0.19)	\$ (0.58)	\$ -	\$ 0.18	\$ 2.52	
Level 4	\$ 0.94	\$ (0.07)	\$ (0.44)	\$ -	\$ 0.05	\$ 0.49	
Level 5	\$ 5.50	\$ -	\$ (2.75)	\$ -	\$ 1.97	\$ 4.72	
Total	\$ 24.29	\$ (3.74)	\$ (4.57)	\$ -	\$ 2.30	\$ 18.29	75.3%

Benefit /s using AV Model

0.9084

Relativity Derivation of Non-Pediatric Preferred Dental Benefit - LOW OPTION

Modeling below based on internal CareFirst Dental modeling.

Underlying claims distribution is based on the combined ACA Individual dental book of business and projected to 2017.

Benefit Design	In Network
Deductible	\$100 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Annual Benefit Maximum	\$1,000

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 13.88	\$ (4.51)	\$ -	\$ (0.14)	\$ -	\$ 9.23	
Level 2	\$ 10.35	\$ (1.57)	\$ (1.76)	\$ (0.12)	\$ 0.00	\$ 6.90	
Level 3	\$ 7.90	\$ (0.68)	\$ (1.44)	\$ (0.20)	\$ 0.00	\$ 5.56	
Level 4	\$ 14.22	\$ (0.97)	\$ (6.62)	\$ (0.58)	\$ -	\$ 6.04	
Level 5	\$ 0.01	\$ -	\$ (0.00)	\$ -	\$ -	\$ 0.00	
Total	\$ 46.35	\$ (7.74)	\$ (9.83)	\$ (1.04)	\$ 0.00	\$ 27.74	59.9%

PRIOR BENEFIT

Benefit Design	In Network
Deductible	\$65 Applies to Levels 1 - 4 Only
Coinsurance (In-Network)	
Level 1	100%
Level 2	80%
Level 3	80%
Level 4	50%
Annual Benefit Maximum	\$1,000
Out of Pocket Maximum	\$1,000,000

Estimated PMPMs

	Allowed	Deductible	Coinsurance	Impact of Benefit Limits	Impact Of Out Of Pocket Maximum	Estimated Plan Liability	Estimated Paid/Allowed
Level 1	\$ 13.88	\$ (2.97)	\$ -	\$ (0.18)	\$ -	\$ 10.73	
Level 2	\$ 10.35	\$ (1.02)	\$ (1.86)	\$ (0.16)	\$ -	\$ 7.30	
Level 3	\$ 7.90	\$ (0.45)	\$ (1.49)	\$ (0.28)	\$ -	\$ 5.68	
Level 4	\$ 14.22	\$ (0.63)	\$ (6.79)	\$ (0.67)	\$ -	\$ 6.12	
Level 5	\$ 0.01	\$ -	\$ (0.00)	\$ -	\$ -	\$ 0.00	
Total	\$ 46.35	\$ (5.07)	\$ (10.15)	\$ (1.30)	\$ -	\$ 29.83	64.4%

Benefit /\s using AV Model

0.9301

CAREFIRST BLUECROSS BLUESHIELD
DERIVATION OF NECESSARY RATE ACTION BASED ON EXPERIENCE DATA
GHMSI Individual Standalone BlueDental Preferred High and Low Options
EXPERIENCE SUMMARY AND PRICING WORKSHEET FOR RATES EFFECTIVE 01/01/2017
DISTRICT OF COLUMBIA

EXPERIENCE PERIOD (EP): 01/01/2015 - 12/31/2015 Paid Through 02/29/2016 (12/14)

PROJECTION PERIOD: 01/01/2017 - 12/31/2017

DICR: ACA DENTAL
66.63%

	(1) CONTRACTS ON 2/29/2016	(2) MEMBER MONTHS DURING EP	(3) INCURRED CLAIMS DURING EP	(4) INCOME DURING EP	(5) LOSS RATIO	(6) PRICING TREND	(7) Month TREND FACTOR	(8) Benefit /s using AV Model Proposed Benefit / Prior Benefit)-1	(9) PROJECTED CLAIMS	(10) REQUIRED INCOME	(11) INCOME ADJUSTMENT FACTORS	(12) INCOME AT 01/16 LEVEL	(13) W/O A RATE INCREASE INCOME AT 01/16 LEVEL	(14) NEEDED RATE INCREASE 01/17 vs 01/16	(15) PROPOSED RATE INCREASE 01/17 vs 01/16
BLUEDENTAL HIGH OPTION															
Pedriatic Age <=19	95	1,058	\$ 15,837	\$ 1,575	1005.4%	1.0300	1.0609	1.0000	\$16,801	\$25,215	1.2396	\$ 1,953	860.4%	1191.4%	29.5%
>19	1,745	19,459	\$ 557,443	\$ 538,495	103.5%	1.0300	1.0609	1.0000	\$591,392	\$887,575	1.2396	\$ 667,529	88.6%	33.0%	29.5%
TOTAL HIGH OPTION	1,840	20,517	\$ 573,280	\$ 540,070	106.1%	1.0300	1.0609		\$608,193	\$912,790	1.2396	\$ 669,481	90.8%	36.3%	29.5%
BLUEDENTAL LOW OPTION															
Pedriatic Age <=19	0	348	\$ 539	\$ 577	93.5%	1.0300	1.0609	0.9084	\$520	\$780	1.2921	\$ 745	69.8%	4.7%	0.0%
>19	382	3,056	\$ 37,677	\$ 77,546	48.6%	1.0300	1.0609	0.9301	\$37,178	\$55,798	1.2921	\$ 100,201	37.1%	-44.3%	0.0%
TOTAL LOW OPTION	382	3,404	\$ 38,217	\$ 78,122	48.9%	1.0300	1.0609		\$37,698	\$56,578	1.2921	\$ 100,946	37.3%	-44.0%	0.0%
BLUEDENTAL															
Pedriatic Age <=19	95	1,406	\$ 16,376	\$ 2,152	1098.9%	1.0300	1.0609		\$17,321	\$25,996	1.2537	\$ 2,698	642.1%	863.6%	21.4%
>19	2,127	22,515	\$ 595,121	\$ 616,041	152.1%	1.0300	1.0609		\$628,570	\$943,373	1.2462	\$ 767,730	81.9%	22.9%	25.6%
TOTAL	2,222	23,921	\$ 611,497	\$ 618,193	98.9%	1.0300	1.0609		\$645,891	\$969,369	1.2463	\$ 770,427	83.8%	25.8%	25.6%

Group Hospitalization and Medical Services, Inc. (GHMSI)
INDIVIDUAL DENTAL STANDALONE EXCHANGE
DC Individual BlueDental High Option Experience

Month	Contracts	Members	Revenue	Paid	Completion Factor	Incurred Claims	Monthly Loss Ratio	Rolling 12 PMPM	Rolling-12 Trend
201401	21	25	\$644	\$520	1.00	\$520	80.8%		
201402	42	48	\$1,224	\$1,687	1.00	\$1,687	137.9%		
201403	94	106	\$2,816	\$8,013	1.00	\$8,013	284.5%		
201404	179	207	\$5,490	\$8,265	1.00	\$8,265	150.5%		
201405	251	291	\$7,789	\$17,163	1.00	\$17,163	220.4%		
201406	301	355	\$9,397	\$15,298	1.00	\$15,298	162.8%		
201407	387	458	\$12,234	\$21,890	1.00	\$21,890	178.9%		
201408	441	525	\$13,778	\$19,212	1.00	\$19,215	139.5%		
201409	520	625	\$16,172	\$26,206	1.00	\$26,209	162.1%		
201410	579	694	\$19,070	\$21,890	1.00	\$21,893	114.8%		
201411	584	702	\$18,615	\$21,466	1.00	\$21,468	115.3%		
201412	617	745	\$19,384	\$27,534	1.00	\$27,546	142.1%	\$39.57	
201501	885	1,052	\$26,539	\$34,890	1.00	\$34,922	131.6%	\$38.49	
201502	1,004	1,198	\$32,341	\$34,430	1.00	\$34,485	106.6%	\$36.84	
201503	1,306	1,516	\$40,226	\$46,212	1.00	\$46,319	115.1%	\$35.21	
201504	1,390	1,619	\$43,730	\$56,580	1.00	\$56,796	129.9%	\$35.09	
201505	1,437	1,675	\$44,614	\$50,907	0.99	\$51,250	114.9%	\$33.80	
201506	1,505	1,755	\$46,355	\$53,431	0.99	\$53,944	116.4%	\$33.11	
201507	1,581	1,847	\$49,004	\$44,901	0.99	\$45,511	92.9%	\$31.50	
201508	1,601	1,879	\$48,791	\$46,405	0.98	\$47,337	97.0%	\$30.55	
201509	1,673	1,958	\$51,438	\$43,242	0.97	\$44,473	86.5%	\$29.20	
201510	1,720	2,003	\$52,451	\$55,274	0.96	\$57,602	109.8%	\$29.06	
201511	1,706	1,993	\$51,997	\$43,668	0.94	\$46,415	89.3%	\$28.41	
201512	1,731	2,022	\$52,891	\$57,278	0.91	\$62,923	119.0%	\$28.37	-28.31%
201601	1,878	2,190	\$73,935	\$40,182	0.82	\$48,892	66.1%	\$27.52	-28.51%
201602	1,840	2,148	\$71,861	\$45,820	0.37	\$122,375	170.3%	\$30.25	-17.89%
Experience Period	17,539	20,517	\$540,377	\$567,219		\$581,975			

Group Hospitalization and Medical Services, Inc. (GHMSI)
INDIVIDUAL DENTAL STANDALONE EXCHANGE
DC Individual BlueDental Low Option Experience

Month	Contracts	Members	Revenue	Paid	Completion Factor	Incurred Claims	Monthly Loss Ratio	Rolling 12 PMPM	Rolling-12 Trend
201401									
201402									
201403									
201404									
201405									
201406									
201407									
201408									
201409									
201410									
201411									
201412									
201501	58	75	\$1,440.54	\$23.50	1.00	\$24	1.6%		
201502	96	118	\$2,959.53	\$662.30	1.00	\$663	22.4%		
201503	191	238	\$6,163.12	\$4,390.40	1.00	\$4,401	71.4%		
201504	209	263	\$6,212.95	\$3,013.65	1.00	\$3,025	48.7%		
201505	219	271	\$5,944.54	\$3,546.83	0.99	\$3,571	60.1%		
201506	235	290	\$6,430.08	\$1,972.17	0.99	\$1,991	31.0%		
201507	259	321	\$7,421.72	\$3,958.77	0.99	\$4,012	54.1%		
201508	270	336	\$7,840.29	\$2,225.41	0.98	\$2,270	29.0%		
201509	289	360	\$8,184.04	\$3,090.51	0.97	\$3,178	38.8%		
201510	304	384	\$8,844.71	\$4,596.82	0.96	\$4,790	54.2%		
201511	296	376	\$8,410.37	\$3,839.53	0.94	\$4,081	48.5%		
201512	292	372	\$8,347.19	\$6,082.44	0.91	\$6,682	80.0%	\$11.37	
201601	362	463	\$13,971.65	\$6,017.93	0.82	\$7,322	52.4%	\$12.13	
201602	382	487	\$14,077.12	\$9,331.05	0.37	\$24,921	177.0%	\$16.88	
Experience Period	2,718	3,404	\$78,199	\$37,402		\$38,689			

Group Hospitalization and Medical Services, Inc. (GHMSI)
INDIVIDUAL DENTAL STANDALONE EXCHANGE
DC Individual BlueDental Preferred Experience

Month	Contracts	Members	Revenue	Paid	Completion Factor	Incurred Claims	Monthly Loss Ratio	Rolling 12 PMPM	Rolling-12 Trend
201401	21	25	\$644.00	\$520.40	1.00	\$520	80.8%		
201402	42	48	\$1,223.72	\$1,686.98	1.00	\$1,687	137.9%		
201403	94	106	\$2,816.31	\$8,013.04	1.00	\$8,013	284.5%		
201404	179	207	\$5,489.71	\$8,264.69	1.00	\$8,265	150.5%		
201405	251	291	\$7,788.51	\$17,162.67	1.00	\$17,163	220.4%		
201406	301	355	\$9,396.61	\$15,297.99	1.00	\$15,298	162.8%		
201407	387	458	\$12,233.88	\$21,890.23	1.00	\$21,890	178.9%		
201408	441	525	\$13,777.64	\$19,212.26	1.00	\$19,215	139.5%		
201409	520	625	\$16,172.35	\$26,205.84	1.00	\$26,209	162.1%		
201410	579	694	\$19,070.20	\$21,890.08	1.00	\$21,893	114.8%		
201411	584	702	\$18,615.16	\$21,465.56	1.00	\$21,468	115.3%		
201412	617	745	\$19,384.04	\$27,533.68	1.00	\$27,546	142.1%	\$39.57	
201501	943	1,127	\$27,979.45	\$34,913.34	1.00	\$34,945	124.9%	\$38.01	
201502	1,100	1,316	\$35,300.30	\$35,091.92	1.00	\$35,148	99.6%	\$35.95	
201503	1,497	1,754	\$46,389.60	\$50,602.46	1.00	\$50,720	109.3%	\$34.07	
201504	1,599	1,882	\$49,942.92	\$59,593.58	1.00	\$59,822	119.8%	\$33.54	
201505	1,656	1,946	\$50,558.68	\$54,454.12	0.99	\$54,821	108.4%	\$32.07	
201506	1,740	2,045	\$52,784.67	\$55,403.18	0.99	\$55,935	106.0%	\$31.09	
201507	1,840	2,168	\$56,425.84	\$48,860.13	0.99	\$49,523	87.8%	\$29.44	
201508	1,871	2,215	\$56,631.51	\$48,630.54	0.98	\$49,607	87.6%	\$28.32	
201509	1,962	2,318	\$59,622.34	\$46,332.61	0.97	\$47,651	79.9%	\$26.92	
201510	2,024	2,387	\$61,295.44	\$59,871.20	0.96	\$62,392	101.8%	\$26.67	
201511	2,002	2,369	\$60,407.68	\$47,507.93	0.94	\$50,496	83.6%	\$25.98	
201512	2,023	2,394	\$61,237.76	\$63,360.48	0.91	\$69,605	113.7%	\$25.95	-34.42%
201601	2,240	2,653	\$87,906.46	\$46,199.96	0.82	\$56,214	63.9%	\$25.23	-33.63%
201602	2,222	2,635	\$85,938.05	\$55,150.98	0.37	\$147,296	171.4%	\$28.17	-21.62%
Experience Period	20,257	23,921	\$618,576	\$604,621		\$620,664	100.3%		

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
Desired Incurred Claims Ratio Derivation

1 2 3 4 5 6 7

PREFERRED

		Composite PMPM	%	Approved 1/1/2015 PMPM	%
1	Projected Claims	\$27.00	66.63%	\$19.65	63.87%
2	Admin Costs	\$9.72	23.99%	\$7.47	24.27%
3	Patient Outcome Tax	\$0.00	0.00%	\$0.00	0.00%
4	Reinsurance	\$0.00	0.00%	\$0.00	0.00%
5	Broker Commissions & Fees	\$2.54	6.27%	\$1.89	6.14%
6	Contrib to Reserve	\$0.00	0.00%	\$0.00	0.00%
7	Invst Income Credit	\$0.00	0.00%	\$0.00	0.00%
8	Premium Taxes/Community Health Investment	\$0.81	2.00%	\$0.60	2.00%
9	Assessment Fees	\$0.05	0.11%	\$0.03	0.11%
10	Federal Income Tax	\$0.00	0.00%	\$0.00	0.00%
11	State Income Tax	\$0.00	0.00%	\$0.00	0.00%
12	Exchange Assessment Fees	\$0.41	1.00%	\$0.30	1.00%
13	General Insurer Tax	\$0.00	0.00%	\$0.78	2.60%
14	Total	\$40.52	100.00%	\$30.76	100.00%

Pre-Tax Contribution to Reserves

0.0%

0.0%

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
Base Rate History

HIOS ID	EXCHANGE	PREFERRED OPTIONS*	BASE RATES	BASE RATES	BASE RATES	PROPOSED BASE RATES	% Rate Change
			1/1/2014	1/1/2015	1/1/2016	1/1/2017	
78079DC0320001	ON	BLUEDENTAL PREFERRED HIGH OPTION	\$26.24	\$26.25	\$32.54	\$42.14	29.5%
78079DC0320003	OFF	BLUEDENTAL PREFERRED HIGH OPTION	\$26.24	\$26.25	\$32.54	\$42.14	29.5%
78079DC0320002	ON	BLUEDENTAL PREFERRED LOW OPTION**	N/A	\$22.42	\$28.97	\$28.97	0.0%
78079DC0320004	OFF	BLUEDENTAL PREFERRED LOW OPTION**	N/A	\$22.42	\$28.97	\$28.97	0.0%

* Member Level Rating effective 1/1/15.

** Preferred Dental Low Option was first launched effective 1/1/2015.

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
Derivation of Percent of Total Premium Related to Essential Health Benefits

#	FORMULA		ON & OFF EXCHANGE DENTAL PLAN	ON & OFF EXCHANGE DENTAL PLAN
			BLUEDENTAL PREFERRED HIGH OPTION	BLUEDENTAL PREFERRED LOW OPTION
a	Pricing Page = (9) / (2)	Total Projected Incurred Claims PMPM	\$ 29.64	\$ 11.07
b		Expected Loss Ratio	66.63%	66.63%
c	(c) = (a)/(b)	Projected Rate	\$ 44.49	\$ 16.62
d	Pricing Page = (9) / (2)	Projected Pediatric Incurred Claims PMPM	\$ 15.88	\$ 1.49
e		% of Members <=19	5.2%	10.2%
f	(f) = (d) * (e) / (b)	Projected Average Pediatric Rate PMPM Basis	\$ 1.23	\$ 0.23
g	(g) = (f) / (c)	% of Total Average Premium Allocable to the Pediatric Dental EHB	2.8%	1.4%
h		Child Only Plan Rate	\$ 34.30	\$ 21.79
i		EHB % of Child Only Plan Rate	100.0%	100.0%

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017

Age Factors

BLUEDENTAL PREFERRED HIGH OPTION			
Age	Current Factor	Proposed Factor	%
0-20	0.814	0.814	0.0%
21+	1.052	1.052	0.0%

BLUEDENTAL PREFERRED LOW OPTION			
Age	Current Factor	Proposed Factor	%
0-20	0.752	0.752	0.0%
21+	1.069	1.069	0.0%

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017
RATE COMPARISON

HIGH OPTION	Approved Base Rate Effective 1/1/2016	Proposed Base Rate Effective 1/1/2017	
BASE RATES	\$32.54	\$42.14	29.5%
Age	Member Rate	Member Rate	% Diff
0-20	\$26.49	\$34.30	29.5%
21 +	\$34.23	\$44.33	29.5%

LOW OPTION	Approved Base Rate Effective 1/1/2016	Proposed Base Rate Effective 1/1/2017	
BASE RATES	\$28.97	\$28.97	0.0%
Age	Member Rate	Member Rate	% Diff
0-20	\$21.79	\$21.79	0.0%
21 +	\$30.97	\$30.97	0.0%

Please note we use a 0-20 age band to comply with the templates required for the submission of rates to the Exchange.

CareFirst BlueCross BlueShield (GHMSI)
Individual Market Standalone Dental Filing Effective 1/1/2017

Rating Methodology & Sample Calculation

Methodology:

1. For each subscriber, identify:

- All dependents associated with the subscriber including the following categories
 Spouse/Domestic Partner
 # of children ages 21 or older
 # of children under age 21 (if more than 3, select 3 oldest children) *

Example 1

A spouse, and 1 child
 1
 0
 1

Example 2

Adult and 5 children (with one child greater than 19 yrs old)
 0
 1
 4

2. For each subscriber and dependent, identify the following:

A. Age

B. Age Factor

Subscriber	Spouse	Child 1	Subscriber	Child 1 (Adult)	Child 1	Child 2	Child 3	Child 4
46	34	15	52	22	6	10	13	18
1.052	1.052	0.814	1.052	1.052		0.814	0.814	0.814

3. Identify the appropriate Dental benefit - Preferred HIGH OPTION

\$42.14	\$42.14	\$42.14	\$42.14	\$42.14		\$42.14	\$42.14	\$42.14
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4. Round to the nearest cent to determine the member's individual rate.

\$44.33	\$44.33	\$34.30	\$44.33	\$44.33		\$34.30	\$34.30	\$34.30
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5. The subscriber's total rate is the sum of individual rates for all subscribers and members combined.

\$122.96

\$191.56

* Note: Effective 1/1/2017, we will only consider the 3 oldest dependents in our rating methodology in order to comply with the technical limitations of the Exchange. We note that this is not required for dental business under federal regulations. We will also impose this cap Off Exchange in order to maintain rate consistency with On Exchange business.